



Washington State Health Care Authority
Public Employees Benefits Board

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May 6, 2010

TO: Personnel, Payroll, and Insurance Offices of K-12 School Districts and Educational Service Districts (ESDs) on Composite Rates with PEBB

FROM: Steve Norsen, Manager
PEBB Outreach & Training Team

SUBJECT: Fiscal Year (FY) 2011 PEBB Program Rates – Composite

Starting September 1, 2010 (FY 2011), the monthly employer funding rate will increase to \$850.00 per active employee per month. These rates were established in the 2010 supplemental operating budget (ESSB 6444.PL, Section 906) and cover benefits under the Public Employees Benefits Board (PEBB) program.

Engrossed Substitute House Bill 2245 PL revised RCW 41.05.050 (4)(a) to allow the Health Care Authority the option of changing the employer portion of the PEBB rates (funding rate) to a school year basis instead of a fiscal year basis as is now in effect. Therefore, instead of your new rate taking effect July 1st like last year, your rate change for this year will take effect on September 1, 2010.

This change does not impact bargaining groups on “tiered rates”, employee contributions, COBRA, or self-pay rates which will remain the same until January 1, 2011, when the new plan year begins. You will receive these revised rates before open enrollment this fall.

Enclosed are two rate sheets titled “Composite Active Rates for ESDs/K-12 School Districts,” The first rate sheet reflects the continuation of the Composite Active Rate of \$745.00 through 8/31/2010 and the second rate sheet reflects the new Composite Active Rate of \$850.00 effective September 1, 2010 through 8/31/2011.

As a reminder, you must pay the full employer funding rate for every eligible employee working half-time or more, including those who have waived medical coverage. Employee premiums will automatically be added to your billed rate. You are responsible for collecting the employees’ premiums and sending the total billed amount to the HCA.

If you have questions, please contact me at 360-412-4201 or steve.norsen@hca.wa.gov.

c: Kim Grindrod, PEBB Budget Analyst